Request for loan by FIA

2351. SHRI N.R. GOVINDARAJAR: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Indian Airlines is set to show losses of Rs. 10,000 crores this year and the volume of passengers down by over 11 per cent this year;

(b) if so, the details thereof;

(c) whether the Federation of Indian Airlines (FIA) has requested for interest free loan with a three year moratorium on repayment;

(d) if so, the details thereof and the steps taken by Government to bailout Indian Airlines;

(e) whether FIA also asked for rationalization of aviation turbine fuel prices to match global levels and reduction of existing airport charges; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) National Aviation Company of India Limited (NACIL), (into which both erstwhile Air India and erstwhile Indian Airlines have merged in 2007) has projected a loss of 2156 crores for the financial year 2008-2009. However, the projected loss is likely to vary due to steep increase in fuel prices in the first half of the current year, decline in traffic on account of economy downturn, decline in yield, appreciation of dollar etc. The number of Passenger carried by NACIL decreased to 53,42,432 during April-September, 2008 as compared to 75,15,214 during April-September, 2007 a decline of 29%.

(c) No, Sir.

(d) The following steps have been taken by the Government to help the domestic aviation industry which *Inter-alia* are as under:

1. Custom duty on import of ATF has been abolished.
2. The Oil Companies have staggered the dues of Airline Companies over six months. Oil Companies have also extended the credit period.
3. With the fall in global crude prices, the Oil Companies have been reducing ATF prices since September, 2008. They have also started announcing the ATF prices on a fortnightly basis rather than monthly basis which is helping the Airlines when the crude prices are going down.

(e) and (f) Federation of Indian Airlines (FIA) had generally been requesting rationalization of sales tax on Aviation Turbine Fuel (ATF) and reduction of existing airport charges. India is among the most expensive countries to buy ATF. Till few months back, the ATF prices in India were almost 70% higher than international prices.

Transportation Safety Board

2352. SHRIMATI MOHSINA KIDWAI:
SHRI RAJEEV CHANDRASEKHAR:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government proposes to set up a Transportation Safety Board to investigate air accidents and incidents alongwith shipping and highways accidents;

(b) if so, the details thereof;

(c) whether his Ministry has sent a proposal in this regard to the Cabinet Secretariat for approvals; and

(d) if so, to what extent the independent investigation body will be helpful in speedy investigation of such cases?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (d) No such proposal is under consideration in the Ministry of Civil Aviation. However, it has been decided to move in the direction of separation of investigation wing from the regulatory wing as recommended by the International Civil Aviation Organisation (ICAO). DGCA has been requested to prepare a roadmap for the same.

A proposal regarding National Transport Safety Board was received from the Planning Commission for comments. The proposal was for setting up a separate body to serve as the apex transport safety organisation with statutory backing. The Ministry of Civil Aviation provided comments in favour of the proposal.

Early fraud detection system

2353. SHRI B.J. PANDA: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is proposed to develop early fraud detection system for companies indulging in fraudulent practices, which will provide early warning signals on corporate frauds;

(b) if so, the details thereof; and

(c) what is the status of this project indicating the time-frame within which it would be developed and made operational?

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA): (a) to (c) The Ministry, through the application of the legal provisions under the Companies Act, 1956 and other relevant statutes, attempts to identify information with regard to companies that may be relevant in establishing intent to defraud their stakeholders. For this purpose, the data available on the electronic registry set up by the Ministry is also utilized. Inspections of companies and other investigations under the provisions of the Act are also taken up to assess the company information and possibility of fraud by the persons/entities concerned. The Ministry has also set up SFIO is investigate serious frauds. The inputs so availed by the Ministry are utilized to take legal action against those involved. This is a continuous, ongoing process where improvements are made in the statutory framework, regulatory action, data collection and investigative methods from time to time as warranted.